

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 02-0419P

Motor Vehicle Rental Excise Tax

May 2000 through April 2002

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ISSUE(S)

I. **Tax Administration** – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

II. **Tax Administration** – Interest

Authority: IC 6-8.1-10-1; 45 IAC 15-11-1

Taxpayer protests the interest assessed.

STATEMENT OF FACTS

Taxpayer was assessed late filing penalties. In a letter dated August 22, 2002, taxpayer states that it was its office manager's job to make all tax payments. Deposits were done through an electronic fund transfer and the taxpayer believed its books and financial statements were accurate. Taxpayer requests the department waive the penalties and interest assessed against it.

Taxpayer states its delinquent payment of motor vehicle rental excise taxes arose from an office manager that did not fulfill the responsibilities of her job. Not until recently was the taxpayer aware that the MVR tax returns had not been filed and tax had not been paid. Upon discovery, taxpayer immediately took steps to report and pay the tax due.

I. **Tax Administration** – Penalty

DISCUSSION

Taxpayer states that it filed the missing returns immediately upon its knowledge that they were not remitted. Taxpayer further states it has cleared up the problem. Taxpayer states that it was unaware that its office manager did not file the returns.

Taxpayer's failure to remit the tax was not the result of reasonable cause. Taxpayer should have been aware of the actions of its employee and should have verified the books yearly.

FINDING

Taxpayer's protest is denied.

II. Tax Administration – Interest

DISCUSSION

Taxpayer requests that the department waive the interest.

The Indiana statute does not allow a waiver of interest.

FINDING

Taxpayer's protest is denied.